

Exhibit L

Land Held for Future Development

Exhibit L reports on land acquired with housing funds and held by agencies for future development (refer to Exhibit C-2 which shows \$252,606,579 as the total value of land holdings). Agencies report the following information about landholdings: site, acreage, zoning, purchase date, and estimated date that development is anticipated to start.

Development of affordable housing on land holdings is required to be initiated within five years of site acquisition unless agencies adopt a resolution for an additional five-year extension. To ensure agencies either develop the land within the required time period or sell the land and deposit the proceeds to the Low-Mod Fund, redevelopment law was amended pursuant to Chapter 362, Statutes of 1999 (SB 497), requiring agencies' to employ independent auditors to determine agency compliance as part of the agency's annual audit. Applicable audit findings are required to be provided to the State Controller's office which reports major violations such as failure to develop or dispose of land to the Attorney General for action.

Statewide, 108 agencies reported a combined total of 1,082 acres consisting of 488 separate sites for future development of affordable housing. For the previous reporting year, 104 agencies reported 411 sites representing 1,503 acres.

Some discrepancies appear among the number of agencies reporting land holdings in Exhibit L compared to the number of agencies reporting the "Value of Land Purchased and Held for Development" in Exhibit C-2. Exhibit C-2 shows 73 agencies reported on value of land holdings whereas 106 agencies reported information on sites held for future development in Exhibit L.